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DE RUEHC #6545 2031828  
ZNR UUUUU ZZH  
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FM SECSTATE WASHDC  
TO RUEHSN/AMEMBASSY SAN SALVADOR PRIORITY 0000  
INFO RUETIAA/DIRNSA FT GEORGE G MEADE MD 0000  
RUEAIIA/CIA WASHINGTON DC 0000  
RHMCSUU/FBI WASHINGTON DC 0000  
RUEKJCS/SECDEF WASHINGTON DC  
RUCPDOG/USDOC WASHINGTON DC 0000

UNCLAS STATE 076545

SIPDIS  
SAN SALVADOR FOR BRENT CHRISTENSEN

E.O. 12958: N/A  
TAGS: [ETTC](#) [KOMC](#) [ES](#)  
SUBJECT: BLUE LANTERN LEVEL 2: PRE-LICENSE END-USE CHECK  
ON LICENSES 050179258, 050132392, AND 050138015

REF: 09 SAN SALVADOR 1266

¶1. This is an Action Request. See paragraphs 2 - 4.

¶2. The Department's Office of Defense Trade Controls Compliance (PM/DTCC) requests Post's assistance in conducting a pre-license check on licenses 050179258, 050132392, and 050138015 for the export of firearms and ammunition to El Salvador. Post is requested to complete this Blue Lantern check within 30 days. Lack of response to a Blue Lantern check will affect pending and future licenses involving parties to this license.

¶3. Reason for Request: The English translation of the import authorization provided for license 050179258 states that the authorization was issued "under promise swap agreement" with the Policia Nacional Civil de El Salvador (PNC). A previous Blue Lantern found that the PNC retransferred used pistols to Centrum S.A. as payment for new pistols being imported by the company (REFTEL). Centrum was then going to re-export the old pistols to end-users outside El Salvador. This request is to determine if a similar "swap agreement" is in place for the carbines on license 050179258. This request is also to determine the terms of trade for the carbines and ammunition on licenses 050132392 and 050138015 and to determine if they have been received.

¶4. Action Request: Post is requested to determine the terms of trade for the carbines and ammunition listed on these licenses. Post is also requested to verify that the carbines on license 050132392 were received by the PNC. Finally, Post is requested to remind the PNC and Centrum S.A. of U.S. regulations on retransfer and re-export. The following points are included for guidance:

(To Policia Nacional Civil)

--Can the PNC confirm its order for the carbines and ammunition listed on these license applications?

--The English translation of the import authorization submitted to the Department of State in support of export license 050179258 mentions a "swap agreement." Can you explain what this means? What are the terms of this agreement? Is this a barter deal and, if so, what are the terms of trade for this transaction?

--What were the terms of trade for the carbines listed on export license 050132392? Did you receive all of these carbines?

--What were the terms of trade for the ammunition listed on export license 050138015?

--If Centrum does/did receive defense articles in exchange for these carbines and/or ammunition, what does the company intend to do with the items it receives? To whom and where does Centrum plan to sell any defense articles it receives?

--If the swap involves weapons originally exported from the United States or were brokered with U.S. Government authorization, you may require authorization for re-transfer. Retransfer to a third party of any U.S. Munitions List (USML) defense articles requires USG permission pursuant to obligations set forth in part 123.9 of the International Traffic in Arms Regulation (ITAR) (Note: the ITAR is available at [www.pmddtc.state.gov/regulations/laws/itarofficial.html](http://www.pmddtc.state.gov/regulations/laws/itarofficial.html)).

(To Centrum, SA)

--The English translation of the import authorization submitted to the Department of State in support of export license 050179258 mentions a "swap agreement." What will Centrum receive in exchange for the carbines listed below? What does the "swap agreement" entail? What does Centrum intend to do with any defense articles it receives through this transaction?

--Can you confirm that the PNC received the carbines listed on export license 050132392? What did Centrum receive in exchange for these carbines? Was a "swap agreement" in place for this transaction?

--What did Centrum receive in exchange for the ammunition listed on license 050138015? Was a "swap agreement" in place for this transaction?

--If Centrum does/did receive defense articles in exchange for these carbines and/or ammunition, what does the company intend to do with the items it receives? To whom and where does Centrum plan to sell any defense articles it receives?

-- Re-export to a third country of any USML defense articles requires USG permission pursuant to obligations set forth in part 123.9 of the ITAR. The re-export of USML firearms obtained through any swap agreement with the PNC would be subject to this requirement.

In its reply, Post may also comment on any other information pertinent to these transactions such as security of facilities and concerns about the entities involved.

#### 15. Details of license applications:

##### 1A.

DTC Case: 050179258

##### QUANTITY/COMMODITY:

100 M4 Model R0977 Carbines, 5.56mm

600 M4 Magazines

3 Bolt Assy

2 Upper Receiver Assy

3 Replacement Barrels

1 Spare Parts Kit

License Value: USD \$134,440

##### SELLER:

Colt Defense LLC  
547 New Park Avenue  
West Hartford, CT 06110

FOREIGN CONSIGNEE:

Centrum, SA de CV  
Urbanizacion San Ernesto Pasaje San Carlos #149  
San Salvador  
El Salvador  
Tel: (503) 2211-3454, 2211-3455, 2211-3456  
Email: defensa@centrum.com.sv

FOREIGN END-USER:

Policia Nacional Civil de El Salvador  
Edificio Santa Elena No. 9877 Calle Conchagua  
Antiguo Cuscatlan  
San Salvador, El Salvador

PURPOSE:

For use by the Civil Police in El Salvador for law enforcement purposes

1B.

DTC Case: 050132392

QUANTITY/COMMODITY:

150 M4 Carbines, 5.56mm

750 M4 Magazines

3 Bolt Assy

2 Upper Receiver Assy

3 Replacement Barrels

1 Spare Parts Kit

License Value: USD \$196,690

SELLER:

Colt Defense LLC  
547 New Park Avenue  
West Hartford, CT 06110

FOREIGN CONSIGNEE:

Centrum, SA de CV  
Urbanizacion San Ernesto Pasaje San Carlos #149  
San Salvador  
El Salvador  
Tel: (503) 2211-3454, 2211-3455, 2211-3456  
Email: defensa@centrum.com.sv

FOREIGN END-USER:

Policia Nacional Civil de El Salvador  
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Antiguo Cuscatlan  
San Salvador, El Salvador

PURPOSE:

For use by the Civil Police in El Salvador for law enforcement purposes

1C.

DTC Case: 050138015

QUANTITY/COMMODITY:

1,000,000 Rounds of Ammunition, 5.56mm Caliber

1,750,000 Rounds of Ammunition, 9mm Caliber

License Value: USD \$522,500

SELLER:

Alliant Techsystems Inc.  
7480 Flying Cloud Drive  
Minneapolis, MN 55344

Subsidiary:

Federal Cartridge Co. / Ammunition Accessories Inc.  
2299 Snake River Ave  
Lewiston, ID 83501

FOREIGN CONSIGNEE:

Centrum, SA de CV  
Urbanizacion San Ernesto Pasaje San Carlos #149  
San Salvador  
El Salvador  
Tel: (503) 2211-3454, 2211-3455, 2211-3456  
Email: defensa@centrum.com.sv

FOREIGN END-USER:

Policia Nacional Civil de El Salvador  
El Salvadorcuartel Centrol 6A Calle Oriente No 42  
San Salvador, El Salvador

PURPOSE:

For use by the Civil Police in El Salvador

¶6. Submitted in support of the license application were the following documents (PM/DTCC will fax documentation to Posts upon request):

¶A.

DSP-83 Nontransfer and Use Certificate signed by Matthew Fehmel (Colt) dated 06 July 2009, Jose Luis Tobar Prieto (National Civil Police) not dated, and Gustavo Lopez Davidson (Centrum) not dated.

Import Authorizations Nos. 23 and 0976 dated 23 April 2009 and Import Authorization No. 0977 dated 28 April 2009 signed by Marco Antonio Palacios Luna

End-Use Certificate Oficio Nos. 0975 and 0976 dated 27 April 2009 and Oficio No. 0977 dated 28 April 2009 signed by Marco Antonio Palacios Luna

Purchase Order from Centrum S.A. de C.V. (Order No 0022-2009) signed by (illegible) dated 29 June 2009

¶B.

DSP-83 Nontransfer and Use Certificate signed by Matthew Fehmel (Colt) dated 30 October 2008, Francisco Jose Rovira Mejia (National Civil Police) 16 October 2008, and Gustavo Lopez Davidson (Centrum) 13 October 2008.

Import Authorizations Nos. 1679 dated 30 June 2008 signed by Marco Antonio Palacios Luna; Import Authorization No. 66 dated 02 October 2008 signed by Marco Antonio Palacios Luna; Import Authorization No. 1725 dated 30 September 2008 signed by Marco Antonio Palacios Luna

End-Use Certificate Oficio Nos. 66 and 1725 dated 30 September 2008 and End-Use Certificate not numbered dated 30 June 2008 signed by Marco Antonio Palacios Luna

Purchase Order from Centrum S.A. de C.V. signed by (illegible) not dated

¶C.

DSP-83 Nontransfer and Use Certificate signed by Patti Mann

(ATK) dated 18 December 2008, Francisco Jose Rovira Mejia  
(National Civil Police) not dated, and Gustavo Lopez Davidson  
(Centrum) 5 June 2008

Import Authorizations No. 2723 dated 30 September 2008 signed  
by Marco Antonio Palacios Luna

End-Use Certificate Oficio Nos. 2723 dated 30 September 2008  
signed by Marco Antonio Palacios Luna

Purchase Order from Centrum S.A. de C.V. signed by  
(illegible) dated 29 July 2008

¶7. Please slug reply for PM/DTCC - BLUE LANTERN COORDINATOR  
and include the words "Blue Lantern" and the case number in  
the subject line. POC is Kyle M. Ballard, Phone:  
202-663-1929; Email: BallardKM@state.gov; SIPRNET:  
BallardKM@state.sgov.gov. The Blue Lantern Guidebook (ref)  
is available as a PDF file on Intellipedia:  
<http://www.intelink.gov/wiki/>  
Blue Lantern End-Use Monitoring Program

¶8. Department is grateful for Post's assistance in this  
matter.  
CLINTON